## Chapter III. Predictors and Risk Factors Associated with Welfare Receipt

The Welfare Indicators Act challenges the Department of Health and Human Services, and indirectly the Advisory Board on Welfare Indicators, to identify and set forth not only indicators of welfare dependence and welfare duration, but also predictors and causes of welfare receipt. Up to this point, welfare research has not established clear and definitive causes of welfare dependence. However, research has identified a number of risk factors associated with welfare utilization. For purposes of this report, the terms "predictors" and "risk factors" are used somewhat interchangeably, although the differences between them are acknowledged.

Where the Advisory Board recommended narrowing the focus of dependence indicators, it recommended an expansive view toward predictors and risk factors. The range of possible predictors is extremely wide, and until they are measured and analyzed over time as the PRWORA changes are implemented, their value will not be known. Some of the "predictors" included in this chapter may turn out to be simply correlates of welfare receipt, some may have a causal relationship, some may be consequences, and some may have predictive value.

For purposes of this report, the predictors/risk factors included in this chapter are grouped into three categories:

ECON. The first group includes measures associated with economic security. This group encompasses measures of poverty, child support receipt, food insecurity, health care coverage, household mobility, and adult incarceration. The poverty-related measures in this group include overall and child poverty rates, transitions in and out of poverty, lengths of poverty spells, events associated with entries and exits from poverty, intergenerational poverty, pre- and post-cash transfers poverty rates, and high-poverty neighborhoods. For ease of presentation, the tables and figures illustrating measures of economic security are labeled with the prefix ECON throughout this chapter.

WORK. The second grouping (labeled with the WORK prefix) includes factors related to employment and barriers to employment. Data on labor force attachment and earnings for low-skilled workers are included, as are data on barriers to work. The latter category includes incidence of adult disabilities and children with chronic health conditions, adult substance abuse, levels of educational attainment and school drop-out rates, and child care costs.

TEEN. The final group addresses behavioral issues primarily affecting teenagers. This category includes out-of-wedlock childbearing data, onset of sexual activity, teen substance abuse and arrest data, and information on teens who are neither in school nor working. The tables and figures in this subsection are labeled with the TEEN prefix.

As noted above, the predictors/risk factors included in this chapter do not represent an exhaustive list of measures. They are, in fact, a sampling of available data that address in some way the question of how a family is faring on the deprivation/well-being scale. Such questions are a necessary part of the dependence discussion during this time of major change in the welfare rules. It is important to examine whether decreases in dependence measures are accompanied by improvements in family well-being (as, for example, if work activities increase) or by reductions

in family's material circumstance (which could happen as families lose access to benefits because of time limits or sanctions).

#### ECONOMIC SECURITY RISK FACTOR 1. POVERTY RATES

Poverty rates illustrate the economic condition of families and, as such, a key risk factor of dependence.

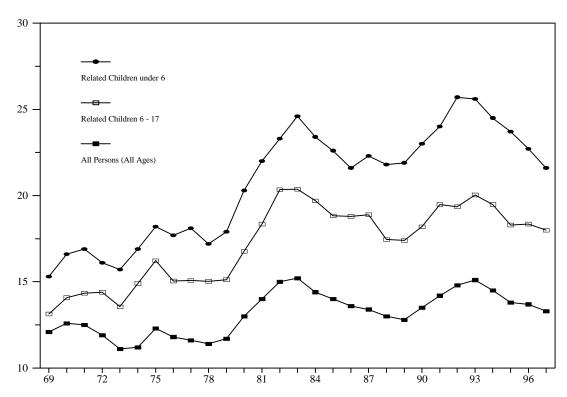


Figure ECON 1a. Percentage in Poverty by Age

Source: U.S. Bureau of the Census, "Poverty in the United States: 1997," *Current Population Reports*, Series P60-201 and unpublished tables available online at <a href="http://www.census.gov/hhes/www/poverty.html">http://www.census.gov/hhes/www/poverty.html</a>.

- The percentage of people living in poverty fell from 13.7 percent to 13.3 percent between 1996 and 1997. This decline continues the trend since 1993, when poverty rates were at a ten-year high of 15.1 percent.
- Children, particularly young children, have much higher poverty rates than the overall population. The poverty rate for related children under 6 reached 25.7 percent in 1992. Since then it has declined, falling to 21.6 percent in 1997.
- Table Econ 1a shows that the poverty rate for blacks declined from 28.4 percent in 1996 to 26.5 percent in 1997. It still remains higher than the 11.0 percent rate for whites. The poverty rate for Hispanics also dropped between 1996 and 1997 from 29.4 percent to 27.1 percent.

Table ECON 1a. Number and Percentage of Persons in Poverty by Age, Sex, Race and Hispanic Origin, Selected Years

	Related Children		All Persons					Hispanic	
Year	Under 6	6-17	Total	Under 18 <sup>1</sup>	18 to 64	65 & over	White	Black	Origin <sup>2</sup>
1959	NA	NA	22.4	27.3	17.0	35.2	18.1	55.1	NA
1963	NA	NA	19.5	23.1	NA	NA	15.3	NA	NA
1966	NA	NA	14.7	17.6	10.5	28.5	11.3	41.8	NA
1969	15.3	13.1	12.1	14.0	8.7	25.3	9.5	32.2	NA
1973	15.7	13.6	11.1	14.4	8.3	16.3	8.4	31.4	21.9
1976	17.7	15.1	11.8	16.0	9.0	15.0	9.1	31.1	24.7
1979	17.9	15.1	11.7	16.4	8.9	15.2	9.0	31.0	21.8
1980	20.3	16.8	13.0	18.3	10.1	15.7	10.2	32.5	25.7
1981	22.0	18.4	14.0	20.0	11.1	15.3	11.1	34.2	26.5
1982	23.3	20.4	15.0	21.9	12.0	14.6	12.0	35.6	29.9
1983	24.6	20.4	15.2	22.3	12.4	13.8	12.1	35.7	28.0
1984	23.4	19.7	14.4	21.5	11.7	12.4	11.5	33.8	28.4
1985	22.6	18.8	14.0	20.7	11.3	12.6	11.4	31.3	29.0
1986	21.6	18.8	13.6	20.5	10.8	12.4	11.0	31.1	27.3
1987	22.3	18.9	13.4	20.3	10.6	12.5	10.4	32.4	28.0
1988	21.8	17.5	13.0	19.5	10.5	12.0	10.1	31.3	26.7
1989	21.9	17.4	12.8	19.6	10.2	11.4	10.0	30.7	26.2
1990	23.0	18.2	13.5	20.6	10.7	12.2	10.7	31.9	28.1
1991	24.0	19.5	14.2	21.8	11.4	12.4	11.3	32.7	28.7
1992	25.7	19.4	14.8	22.3	11.9	12.9	11.9	33.4	29.6
1993	25.6	20.0	15.1	22.7	12.4	12.2	12.2	33.1	30.6
1994	24.5	19.5	14.5	21.8	11.9	11.7	11.7	30.6	30.7
1995	23.7	18.3	13.8	20.8	11.4	10.5	11.2	29.3	30.3
1996	22.7	18.4	13.7	20.5	11.4	10.8	11.2	28.4	29.4
1997	21.6	18.0	13.3	19.9	10.9	10.5	11.0	26.5	27.1

<sup>&</sup>lt;sup>1</sup> Persons under 18 include both related children (own children, including stepchildren and adopted children, plus all other children in the household who are related to the householder by blood, marriage, or adoption) and unrelated individuals under 18 who are not living with any relatives.

Source: U.S. Bureau of the Census, "Poverty in the United States: 1997," *Current Population Reports*, Series P60-201 and unpublished tables available online at <a href="http://www.census.gov/hhes/www/poverty.html">http://www.census.gov/hhes/www/poverty.html</a>.

• The percentage of people living in poverty increased 2.3 percentage points to a level of 15.1 percent between 1989 and 1992 and has since declined to 13.3 percent as the economy has recovered from the recession.

<sup>&</sup>lt;sup>2</sup> Persons of Hispanic origin may be of any race.

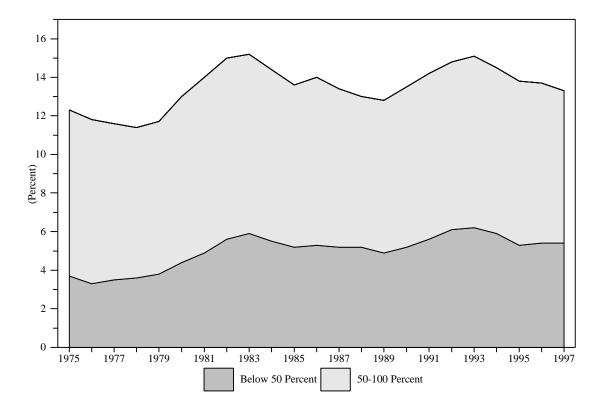


Figure ECON 1b. Percentage of Population Below 50 and 100 Percent of Poverty

Source: U.S. Bureau of the Census, "Poverty in the United States: 1997," *Current Population Reports*, Series P60-201 and unpublished tables available online at <a href="http://www.census.gov/hhes/www/poverty.html">http://www.census.gov/hhes/www/poverty.html</a>.

- Since 1975, the percentage of the population with incomes below 50 percent of the poverty threshold has risen and fallen in a pattern that reflects to some degree the trend in the overall poverty rate. For example, the percentage of people below 50 percent of poverty rose from a low of 3.3 percent in 1976 to a high of 5.9 percent in 1983 and then after falling slightly, rose to a second peak of 6.2 percent in 1993. The overall poverty rate the percentage of people below 100 percent of poverty also peaked in 1983 and 1993 in a somewhat similar pattern, although with more pronounced peaks and valleys.
- Over the past two decades, however, there has been an overall increase in the proportion of the poverty population that falls below 50 percent of the poverty level. Whereas the population below 50 percent of the poverty threshold was 30 percent of the poverty population in 1975, it rose to 39 percent of the total poverty population by 1983, and to 41 percent by 1997.
- Between 1995 and 1997, the percentage of the total population with incomes below 50 percent of the poverty level increased slightly, from 5.3 percent to 5.4 percent, in contrast to the decline in the overall poverty level, from 13.8 percent to 13.3 percent.

Table ECON 1b. Number and Percentage of People Below 50, 75, 100, and 125 Percent of Poverty Level, 1975 – 1997 (in Thousands)

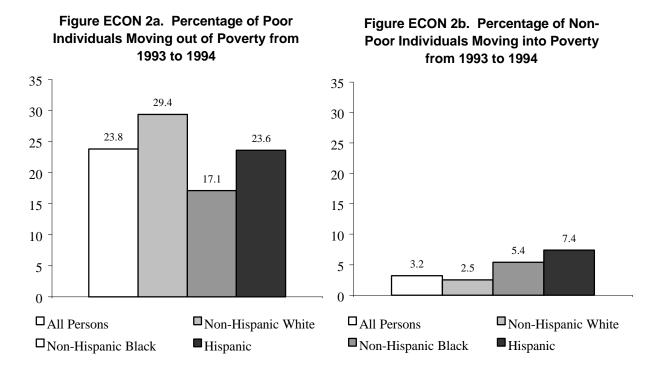
	Total	Below 50	percent	Below 75	percent	Below 100	percent	Below 125	percent
Year	Population	Number	Percent	Number	Percent	Number	Percent	Number	Percent
1975	210,900	7,700	3.7	15,400	7.3	25,900	12.3	37,100	17.6
1976	212,300	7,000	3.3	14,900	7.0	25,000	11.8	35,500	16.7
1977	213,900	7,500	3.5	15,000	7.0	24,700	11.6	35,700	16.7
1978	215,700	7,700	3.6	14,900	6.9	24,500	11.4	34,100	15.8
1979	222,900	8,600	3.8	16,300	7.3	26,100	11.7	36,600	16.4
1980	225,000	9,800	4.4	18,700	8.3	29,300	13.0	40,700	18.1
1981	227,200	11,200	4.9	20,700	9.1	31,800	14.0	43,800	19.3
1982	229,400	12,800	5.6	23,200	10.1	34,400	15.0	46,600	20.3
1983	231,700	13,600	5.9	23,600	10.2	35,300	15.2	47,000	20.3
1984	233,800	12,800	5.5	22,700	9.7	33,700	14.4	45,400	19.4
1985	236,600	12,400	5.2	22,200	9.4	33,100	13.6	44,200	18.7
1986	238,600	12,700	5.3	22,400	9.4	32,400	14.0	44,600	18.7
1987	241,000	12,500	5.2	21,700	9.0	32,200	13.4	43,100	17.9
1988	243,500	12,700	5.2	21,400	8.8	31,700	13.0	42,600	17.5
1989	246,000	12,000	4.9	20,700	8.4	31,500	12.8	42,600	17.3
1990	248,600	12,900	5.2	22,600	9.1	33,600	13.5	44,800	18.0
1991	251,200	14,100	5.6	24,400	9.7	35,700	14.2	47,500	18.9
1992	256,500	15,500	6.1	26,200	10.2	38,000	14.8	50,500	19.7
1993	259,300	16,000	6.2	27,200	10.5	39,300	15.1	51,900	20.0
1994	261,600	15,400	5.9	26,400	10.1	38,100	14.5	50,500	19.3
1995	263,700	13,900	5.3	24,500	9.3	36,400	13.8	48,800	18.5
1996	266,200	14,400	5.4	24,800	9.3	36,500	13.7	49,300	18.5
1997	268,500	14,600	5.4	24,200	9.0	35,600	13.3	47,800	17.8

Source: U.S. Bureau of the Census, "Poverty in the United States: 1997," *Current Population Reports*, Series P60-201 and unpublished tables available online at <a href="http://www.census.gov/hhes/www/poverty.html">http://www.census.gov/hhes/www/poverty.html</a>.

• In 1997, there were 35.6 million people with family income below 100 percent of the poverty threshold, as shown in Table ECON 1b. This included 14.6 million people with incomes below 50 percent of the poverty threshold.

#### ECONOMIC SECURITY RISK FACTOR 2. POVERTY TRANSITION RATES

Data on poverty transitions show the extent of new entries into and exits from poverty.



Source: Table ECON 2.

- As shown in Figure ECON 2a, nearly one-quarter (24 percent) of all individuals who were poor in 1993 moved out of poverty in 1994. The percentage of poor non-Hispanic whites who exited poverty in 1994 (29 percent) was larger than the corresponding percentages for non-Hispanic blacks (17 percent) and Hispanics (24 percent).
- Only 3 percent of all individuals who were above the poverty line in 1993 became poor in 1994, as shown in Figure ECON 2b. A larger percentage of Hispanic individuals who were not poor in 1993 entered poverty in 1994 (7 percent) compared to both non-Hispanic Blacks (5 percent) and non-Hispanic whites (3 percent).
- As shown in Table ECON 2, 33 percent of men age 16 to 64 who were poor in 1993 moved out of poverty in 1994, compared to only 27 percent of women age 16 to 64. Poor adults age 65 or older were even less likely to exit poverty than poor adults age 16 to 64: only 15 percent of the elderly poor population in 1993 exited poverty in 1994.

Table ECON 2. Percentage of Individuals Changing Poverty Status, 1993-1994

	From Poor to Non-Poor
All Poor Persons	23.8
Racial Categories	
Non-Hispanic White	29.4
Non-Hispanic Black	17.1
Hispanic	23.6
Age Categories	
Children Age 0 - 5	19.9
Children Age 6 - 10	19.2
Children Age 11 - 15	19.3
Women Age 16 - 64	26.5
Men Age 16 - 64	32.7
Adults Age 65 and over	14.9
	From Non-Poor to Poor
All Non-Poor Persons	3.2
Racial Categories	
Non-Hispanic White	2.5
Non-Hispanic Black	5.4
Hispanic	7.4
Age Categories	
Children Age 0 - 5	5.0
Children Age 6 - 10	4.9
Children Age 11 - 15	3.4
Women Age 16 - 64	3.5
Men Age 16 - 64	2.6
Adults Age 65 and over	2.0

Source: Unpublished data from the SIPP, 1993 panel.

### ECONOMIC SECURITY RISK FACTOR 3. POVERTY SPELLS

The length of a poverty episode illustrates one aspect of the risk of dependence.

90 84.3 80 75.4 70 60 Percentage of Spells 47.3 50 40 30 20 15.7 10  $\square$  Spells <4 months □ Spells <12 months ■ Spells <20 months ■ Spells 20+ months

Figure ECON 3. Length of Spells of Poverty for Persons Who Became Poor during the 1993 SIPP Panel

Source: Table ECON 3.

- Nearly half (47 percent) of all poverty spells ended within 4 months and three-quarters of all
  poverty spells ended within one year. Only 16 percent of all poverty spells were 20 months
  or longer.
- As shown in Table ECON 3, a larger percentage of poverty spells among non-Hispanic blacks were 20 months or longer (23 percent) than was the case for spells among non-Hispanic whites (14 percent) and among Hispanics (15 percent).
- Spells of poverty among adults age 65 and older tend to last longer than poverty spells among adults age 16 to 64 and spells among children age 0 to 15. As shown in Table ECON 3, only 65 percent of poverty spells among adults age 65 and older ended within one year compared to 80 percent for women age 16 to 64, 75 percent for men age 16 to 64, and 73 percent for children age 0 to 15.

Table ECON 3. Percentage of Poverty Spells for Individuals Entering Poverty during the 1993 SIPP Panel by Length of Spell

	Percent of Spells						
	Spells <4 months	Spells <12 months	Spells <20 months	Spells 20+ months			
All persons	47.3	75.4	84.3	15.7			
Racial Categories							
Non-Hispanic White	47.3	78.8	86.3	13.7			
Non-Hispanic Black	39.9	64.1	76.7	23.3			
Hispanic origin	42.5	74.4	84.7	15.3			
Age Categories							
Children Age 0 to 15	43.8	73.0	82.2	17.8			
Women Age 16 - 64	47.6	79.9	88.9	11.1			
Men Age 16 - 64	51.6	75.2	84.2	15.8			
65 years and over	40.7	65.4	73.0	27.0			

Note: Spell length categories are not mutually exclusive. Spells separated by only 1 month are not considered separate spells. Due to the length of the observation period, actual spell lengths for spells that lasted more than 20 months cannot be observed.

Source: Unpublished data from the SIPP, 1993 panel.

### ECONOMIC SECURITY RISK FACTOR 4. LONG-TERM POVERTY

As with welfare, poverty experiences often occur in a number of discrete episodes. Measures that illustrate the total length of poverty episodes reveal an important aspect of the severity of the risk of dependence.

**Cumulative Number of Years in Poverty** 100% 3.1 7.0 90% 17.7 27.9 19.8 80% 70% 60% 31.3 50% 40% 79.2 73.3 30% 20% 40.9 10% 0% All Children Black Children Non-Black Children □<sub>0 Years</sub> □<sub>1-5</sub> Years ■6-10 Years

Figure ECON 4. Percentage of Children Ages 0 to 5 in 1982 Living in Poverty by Cumulative Number of Years in Poverty

Source: Table ECON 4.

- Among children who were age 0 to 5 in 1982, nearly three-quarters (73 percent) never lived in poverty for any year over the next ten years, as shown in Figure ECON 4. The percentage of children who remained above the poverty line in all years between 1972 and 1981 is similar although somewhat larger (76 percent), as shown in Table ECON 4.
- During the 1982 to 1991 period, 28 percent of black children experienced longer-term poverty of 6 to 10 years, a percentage much higher than that for non-black children during the same ten-year time period (3 percent).
- For both time periods, the percentages of all individuals who were poor for only one to two years are much larger than the percentages of all individuals who experienced longer-term poverty, as shown in Table ECON 4. For example, while 11 percent of all individuals were poor for only one to two years between 1982 and 1991, only 3 percent were poor for 6 to 8 years and only 2 percent were poor for 9 to 10 years during the same time period.
- As shown in Table ECON 4, a somewhat larger percentage of children compared to the percentage of total persons experienced long-term poverty in both time periods, especially long-term poverty of 9 to 10 years.

Table ECON 4. Percentage of Individuals Living in Poverty by Number of Years in Poverty

	· · · · · · · · · · · · · · · · · · ·	sons: 1982 – 1991	
Cumulative Years in	All	D1 1	M DI I
Poverty	Persons	Black	Non-Black
0 Years	78.8	50.6	82.9
1 - 2 Years	11.3	14.9	10.7
3 - 5 Years	5.3	14.4	4.0
6 - 8 Years	2.8	11.2	2.0
9 - 10 Years	1.8	8.9	0.7
	100	100	100
	Children 0 -	5 in 1982: 1982-1991	
Cumulative Years in	All	Black	Non-Black
Poverty	Children	Children	Children
0 Years	73.3	40.9	79.2
1 - 2 Years	12.3	16.5	11.6
3 - 5 Years	7.5	14.8	6.1
6 - 8 Years	3.2	11.1	1.7
9 - 10 Years	3.8	16.8	1.4
	100	100	100
	All Pers	sons: 1972 - 1981	
Cumulative Years in	<u>All Pers</u> All	sons: 1972 - 1981	
Cumulative Years in Poverty	· · · · · · · · · · · · · · · · · · ·	Sons: 1972 - 1981 Black	Non-Black
	All		Non-Black 83.7
Poverty	All Persons	Black	
Poverty 0 Years	All Persons 79.2	Black 45.6	83.7
Poverty 0 Years 1 - 2 Years	All Persons 79.2 12.3	Black 45.6 20	83.7 11.3
Poverty 0 Years 1 - 2 Years 3 - 5 Years	All Persons 79.2 12.3 4.6	Black 45.6 20 16.6	83.7 11.3 3.1
Poverty 0 Years 1 - 2 Years 3 - 5 Years 6 - 8 Years	All Persons 79.2 12.3 4.6 2.5	Black 45.6 20 16.6 10.4	83.7 11.3 3.1 1.5
Poverty 0 Years 1 - 2 Years 3 - 5 Years 6 - 8 Years	All Persons 79.2 12.3 4.6 2.5 1.2 100	Black 45.6 20 16.6 10.4 7.5 100	83.7 11.3 3.1 1.5 0.4
Poverty 0 Years 1 - 2 Years 3 - 5 Years 6 - 8 Years 9 - 10 Years	All Persons 79.2 12.3 4.6 2.5 1.2 100	Black 45.6 20 16.6 10.4 7.5 100 5 in 1972: 1972-1981	83.7 11.3 3.1 1.5 0.4 100
Poverty 0 Years 1 - 2 Years 3 - 5 Years 6 - 8 Years 9 - 10 Years	All Persons 79.2 12.3 4.6 2.5 1.2 100 Children 0 -	Black 45.6 20 16.6 10.4 7.5 100	83.7 11.3 3.1 1.5 0.4 100 Non-Black
Poverty 0 Years 1 - 2 Years 3 - 5 Years 6 - 8 Years 9 - 10 Years	All Persons 79.2 12.3 4.6 2.5 1.2 100  Children 0 - All	Black 45.6 20 16.6 10.4 7.5 100 5 in 1972: 1972-1981 Black	83.7 11.3 3.1 1.5 0.4 100
Poverty 0 Years 1 - 2 Years 3 - 5 Years 6 - 8 Years 9 - 10 Years  Cumulative Years in Poverty	All Persons 79.2 12.3 4.6 2.5 1.2 100  Children 0 - All Children	Black 45.6 20 16.6 10.4 7.5 100 5 in 1972: 1972-1981 Black Children	83.7 11.3 3.1 1.5 0.4 100 Non-Black Children
Poverty 0 Years 1 - 2 Years 3 - 5 Years 6 - 8 Years 9 - 10 Years  Cumulative Years in Poverty 0 Years	All Persons 79.2 12.3 4.6 2.5 1.2 100  Children 0 - All Children 75.6	Black 45.6 20 16.6 10.4 7.5 100 5 in 1972: 1972-1981 Black Children 34.1	83.7 11.3 3.1 1.5 0.4 100 Non-Black Children 82.3
Poverty 0 Years 1 - 2 Years 3 - 5 Years 6 - 8 Years 9 - 10 Years  Cumulative Years in Poverty 0 Years 1 - 2 Years	All Persons 79.2 12.3 4.6 2.5 1.2 100  Children 0 - All Children 75.6 13.1	Black 45.6 20 16.6 10.4 7.5 100  5 in 1972: 1972-1981 Black Children 34.1 21.7	83.7 11.3 3.1 1.5 0.4 100 Non-Black Children 82.3 11.7
Poverty 0 Years 1 - 2 Years 3 - 5 Years 6 - 8 Years 9 - 10 Years  Cumulative Years in Poverty 0 Years 1 - 2 Years 3 - 5 Years	All Persons 79.2 12.3 4.6 2.5 1.2 100  Children 0 - All Children 75.6 13.1 5.6	Black 45.6 20 16.6 10.4 7.5 100 5 in 1972: 1972-1981 Black Children 34.1 21.7 20.5	83.7 11.3 3.1 1.5 0.4 100 Non-Black Children 82.3 11.7 3.2
Poverty 0 Years 1 - 2 Years 3 - 5 Years 6 - 8 Years 9 - 10 Years  Cumulative Years in Poverty 0 Years 1 - 2 Years 3 - 5 Years 6 - 8 Years	All Persons 79.2 12.3 4.6 2.5 1.2 100  Children 0 - All Children 75.6 13.1 5.6 3.2	Black 45.6 20 16.6 10.4 7.5 100  5 in 1972: 1972-1981 Black Children 34.1 21.7 20.5 11.1	83.7 11.3 3.1 1.5 0.4 100 Non-Black Children 82.3 11.7 3.2 1.9

Source: Unpublished data from the PSID, 1972 - 1991.

# ECONOMIC SECURITY RISK FACTOR 5. EVENTS ASSOCIATED WITH THE BEGINNING AND ENDING OF A POVERTY SPELL

Events that trigger the beginning or ending of a poverty episode indicate an increased or decreased likelihood of future dependence.

Table ECON 5a. Percentage of First Poverty Spell Beginnings
Associated with Specific Events

	Associated with opecinic Events					
	Spell Began	Spell Began	Spell Began			
	1973 – 1979	1980 - 1985	1986 - 1991			
First birth to an unmarried,						
non-cohabiting mother	4.2	5.8	7.3			
First birth to other circumstances	2.3	4.5	2.3			
Second (or higher order) birth	9.2	10.2	17.9			
Divorce/separation	10.9	16.2	14.6			
Mother's work hours decreased						
by more than 500 hours per year	12.5	21.4	28.6			
Other adults' work hours decreased						
by more than 500 hours, but						
no change in family structure	29.0	27.6	27.7			
Other adults' work hours decreased						
by more than 500 hours, and a						
change in family structure	24.6	22.9	16.3			
Householder acquired work limitation	13.9	17.2	23.7			
Other transfer income dropped						
by \$1,000 or more (in 1996\$)	5.9	3.5	2.9			
Changed state of residence	7.5	10.0	8.0			

Note: Events are defined to be neither mutually exclusive nor exhaustive. Work limitation is defined as a self-reported physical or nervous condition that limits the type of work or the amount of work the respondent can do. Source: Unpublished data from the PSID, 1968 - 1992.

- During the 1986 to 1991 time period, first poverty spell beginnings were most often associated with a second or higher order birth (18 percent), a decrease in mothers' work hours (29 percent), a decrease in other's work hours (28 percent and 16 percent), or a work limitation (24 percent).
- The percentages of first poverty spell beginnings associated with decreases in mothers' work hours increased dramatically over the three time periods, from 13 percent in the earliest period to 29 percent in the most recent period.
- The percentages of first poverty episodes associated with the householder acquiring a work limitation increased over time to nearly one-quarter (24 percent) of all first poverty spells beginning between 1986 and 1991.

Table ECON 5b. Percentage of First Poverty Spell Endings
Associated with Specific Events

	Spell Ended	Spell Ended	Spell Ended
	1973 – 1979	1980 - 1985	1986 - 1991
Mother married or acquired cohabitor	14.2	14.0	11.5
Children under 18 no longer present	2.0	1.3	4.3
Mother's work hours increased			
by more than 500 hours	19.8	22.5	21.1
Other adults' work hours increased			
by more than 500 hours, but			
no change in family structure	23.7	29.5	22.5
Other adults' work hours increased			
by more than 500 hours, and a			
change in family structure	12.1	8.5	8.1
Householder no longer reports work limitation	14.3	19.1	20.1
Other transfer income increased			
by \$1,000 or more (in 1996\$)	4.2	5.3	3.8
Changed state of residence	8.9	14.0	9.5

Note: Events are defined to be neither mutually exclusive nor exhaustive. Work limitation is defined as a self-reported physical or nervous condition that limits the type of work or the amount of work the respondent can do. Source: Unpublished data from the PSID, 1968 - 1992.

- Between 1986 and 1991, most first poverty spell exits were associated with increased work hours of mothers (21 percent), increased work hours for other adults (23 percent) or a change in work limitations (20 percent).
- The percentage of first poverty spell endings associated with marriage or cohabitation decreased somewhat in the 1986 to 1991 time period relative to the earlier time periods (from 14 to 12 percent).
- The percentages of first poverty spell endings associated with increases in transfer income remained relatively stable over the three time periods (around 4 to 5 percent).
- The percentages of spell endings associated with a householder no longer reporting a work limitation increased between the first two time periods and remained stable between the last two time periods.

# ECONOMIC SECURITY RISK FACTOR 6. INTERGENERATIONAL POVERTY

The extent to which parental poverty is associated with poverty of their children as adults illustrates a significant risk to current and future dependence.

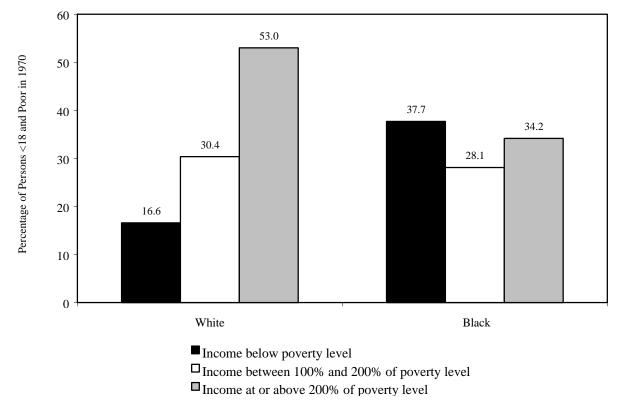


Figure ECON 6. Poverty Status in 1990 of Persons under 18 and Poor in 1970

Source: Table ECON 6.

- Among children who were age 0 to 18 and lived in poor families in 1970, 17 percent of white children and 38 percent of black children also lived in poverty as adults in 1990. In other words, poor black children were more than twice as likely as poor white children to be poor as adults.
- Similar percentages of white and black children who were age 0 to 18 and poor in 1970 were "near-poor" (above 100 percent but less than 200 percent of the poverty level) as adults in 1990 (30 percent for whites and 28 percent for blacks). In contrast, white children were much more likely to be living above 200 percent of the poverty level as adults in 1990 (53 percent) than were black children (34 percent).

# Table ECON 6. Poverty Status in 1990 of Persons Who Were under 18 and Poor in 1970

		Income between 100% and 200% of Poverty	Income at or above 200% of Poverty
White	16.6	30.4	53.2
Black	37.8	28.1	34.2

Source: Unpublished data from the PSID, 1970 and 1990.

# ECONOMIC SECURITY RISK FACTOR 7. PRE-TRANSFER AND POST-TRANSFER POVERTY RATES

Trends in the pre- and post-transfer rates of poverty which show the anti-poverty effectiveness of social security and of the major means-tested assistance program benefits.

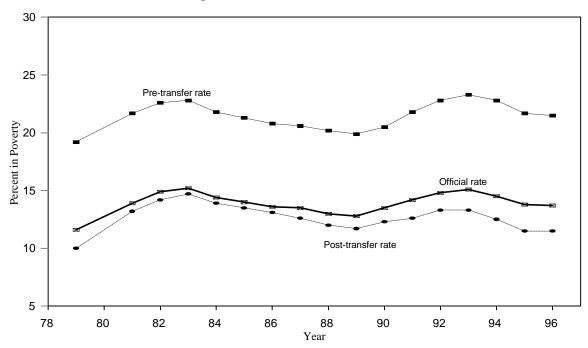


Figure ECON 7. Poverty Rate of All Persons in Families with Related Children Under 18 Using Alternative Definitions of Income, 1979-1996

Note: The pre-transfer rate measures poverty in terms of cash income (only) before all transfers. The official rate measures it in terms of cash income plus social security and means-tested cash transfers. The post-transfer rate measures poverty after adding not only social security and means-tested cash transfers but also the market value of food and housing benefits plus taxes (including the refundable EITC as well as Federal payroll and income taxes); it does not include the fungible value of Medicare and Medicaid.

Source: Congressional Budget Office tabulations. Additional calculations by DHHS.

- In all years reported, the pre-transfer poverty rate for families with related children under age 18 was much higher than both the official poverty rate and the post-transfer poverty rate.
- Table ECON 7 shows that the total effect of transfers and taxes was to reduce the poverty rate by 6.1 percentage points in 1972, 4.2 percentage points in 1983, and 6.7 percentage points in 1996.

Table ECON 7. Antipoverty Effectiveness of Cash and Near-Cash Transfers for All Persons in Families with Related Children Under 18, Selected Fiscal Years

	1979	1983	1989	1993	1995	1996
<b>Total Population (in millions)</b>	133.4	132.1	135.4	144.6	146.2	146.8
Pre-Transfer Poor Population (in millions)	22.1	28.9	25.2	32.2	29.2	28.7
<b>Percent of Poor Persons Removed from Poverty Due to:</b>						
Social Insurance (other than Social Security)	4.4	6.9	3.4	4.2	3.5	2.7
Social Security	9.1	5.9	6.5	6.3	6.1	6.3
Means-Tested Cash	8.2	3.5	5.1	5.8	6.6	6.3
Food and Housing Benefits	16.5	8.7	11.7	10.2	12.5	11.2
EITC and Fed. Payroll and Income Taxes	-1.7	-5.8	-2.8	2.3	6.6	7.6
Total Percent of Pre-Transfer Poor Removed from Poverty						
by All Transfers	36.6	19.1	23.9	28.9	35.2	34.1
Poverty Rate (in percent):						
Cash Income Before Transfers (pre-transfer)	16.6	21.9	18.6	22.3	20.0	19.6
Plus Social Ins. (other than Social Security)	15.8	20.4	18.0	21.4	19.3	19.1
Plus Social Security	14.3	19.1	16.8	20.0	18.1	17.8
Plus Means-Tested Cash Transfers (official poverty rate)	12.9	18.4	15.8	18.7	16.8	16.6
Plus Food and Housing Benefits	10.2	16.5	13.6	16.4	14.3	14.4
Plus EITC, less Fed. Payroll & Income Taxes (post-trans.)	10.5	17.7	14.1	15.9	13.0	12.9
Total Reduction in Poverty Rate	6.1	4.2	4.5	6.4	7.0	6.7

Note: EITC denotes Earned Income Tax Credit. The pre-transfer rate measures poverty in terms of cash income (only) before all transfers. The official rate measures it in terms of cash income plus social security and means-tested cash transfers. The post-transfer rate measures poverty after adding not only social security and means-tested cash transfers but also the market value of food and housing benefits plus taxes (including the refundable EITC as well as Federal payroll and income taxes); it does not include the fungible value of Medicare and Medicaid.

Source: Congressional Budget Office tabulations. Additional calculations by DHHS.

- Table ECON 7 shows that a substantial percentage of the poor population was removed from poverty by transfers in all years shown. The percentage of poor persons removed from poverty due to transfers was 37 percent in 1979, declining to 19 percent in 1983, and rising to 34 percent in 1996.
- Table ECON 7 shows that the percentage of the poor population removed from poverty due to food and housing benefits is much larger in all reported years than the percentage removed due to other transfers. In 1996, more than 11 percent of the poor population was removed from poverty due to food and housing benefits.
- Table ECON 7 also shows that whereas tax policies, including the EITC and Federal payroll and income taxes, did not remove any poor individuals from poverty in 1979, 1983, and 1989, the trend reversed in 1993. By 1996, EITC net of Federal payroll and income taxes removed about 8 percent of the poor population from poverty.

#### ECONOMIC SECURITY RISK FACTOR 8. CHILD SUPPORT

Child support provides critical income to families with children and reduces the likelihood of dependence. These child support risk factors reflect the presence and magnitude of child support payments made by noncustodial parents for families receiving services from the Child Support Enforcement Program.

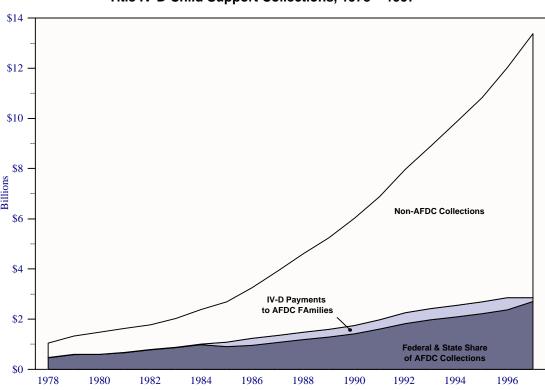


Figure ECON 8a. Total, Non-AFDC/TANF, and AFDC/TANF Title IV-D Child Support Collections, 1978 – 1997

Source: U.S. Department of Health and Human Services, Administration for Children and Families, Office of Child Support Enforcement, *Preliminary Child Support Enforcement FY 1997 Data Report*, 1998 (and earlier years), Washington, DC.

• Total collections paid through the Child Support Enforcement system (Title IV-D of the Social Security Act) grew at an annual rate of growth of 14.4 percent (current dollars) from FY 1978 to FY 1997. The average rate of growth was higher for collections on behalf of non-AFDC families (16.5 percent) than for collections on behalf of AFDC families (9.9 percent). This rate of growth is attributable to both increases in the number of noncustodial parents paying child support and increases in the amount of child support paid per case.

### Table ECON 8a. Total, Non-AFDC/TANF, and AFDC/TANF Title IV-D Child Support Collections, 1978 to 1997

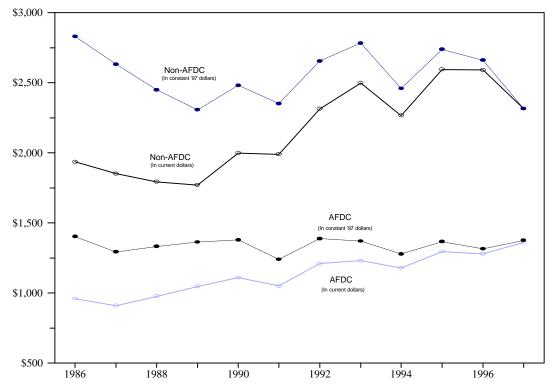
			Total Collec	ctions (In millio	ns)		
			I	AFDC Collection	ons		
	To	otal		Payments F	ederal & State		Total IV-D
Fiscal	Current	Constant		to AFDC	Share of	Non-AFDC	Administrative
Year	Dollars	'97 Dollars	Total	Families	Collections	Collections	Expenditures
1978	\$1,047	\$2,527	\$472	\$13	\$459	\$575	\$312
1979	1,333	2,954	597	12	584	736	383
1980	1,478	2,937	603	10	593	874	466
1981	1,629	2,948	671	12	659	958	526
1982	1,771	2,992	786	15	771	985	612
1983	2,024	3,284	880	15	865	1,144	691
1984	2,378	3,696	1,000	17	983	1,378	723
1985	2,694	4,038	1,090	189	901	1,604	814
1986	3,249	4,750	1,225	275	955	2,019	941
1987	3,917	5,569	1,349	278	1,070	2,569	1,066
1988	4,605	6,290	1,486	289	1,188	3,128	1,171
1989	5,241	6,831	1,593	307	1,286	3,648	1,363
1990	6,010	7,462	1,750	334	1,416	4,260	1,606
1991	6,886	8,138	1,984	381	1,603	4,902	1,804
1992	7,964	9,136	2,259	435	1,824	5,705	1,995
1993	8,907	9,919	2,416	446	1,971	6,491	2,241
1994	9,850	10,686	2,550	457	2,093	7,300	2,556
1995	10,827	11,428	2,689	474	2,215	8,138	3,012
1996	12,020	12,344	2,855	480	2,375	9,165	3,055
1997	13,380	13,380	2,856	157	2,698	10,524	3,424

Note: Not all states report current child support collections in all years. Constant dollar adjustments to 1997 level were made using a CPI-U-X1 fiscal year average price index.

Source: U.S. Department of Health and Human Services, Administration for Children and Families, Office of Child Support Enforcement, *Preliminary Child Support Enforcement FY 1997 Data Report*, 1998 (and earlier years), Washington, DC.

• From FY 1984 through FY 1996, the first \$50 dollars of each month's child support collection was passed-through to families that were receiving AFDC benefits. The "Collections Paid to Families" shown in Table ECON 8a reflects this \$50 pass-through and other benefit adjustments. In FY 1997, states were no longer required to continue the \$50 pass-through, and so collections paid to families dropped from \$480 million in FY 1996 to \$157 million in FY 1997.

Figure ECON 8b. Average Annual Child Support Enforcement Payments for Current Support by Noncustodial Parents with an Obligation and Payment in Nominal and Constant 1997 Dollars, 1986 to 1997



Source: U.S. Department of Health and Human Services, Administration for Children and Families, Office of Child Support Enforcement, *Preliminary Child Support Enforcement FY 1997 Data Report*, 1998, and *Twentieth Annual Report to Congress, for the period ending September 30, 1995* (and earlier years), Washington, DC.

- Figure ECON 8b represents the average annual payment of current support by noncustodial parents for families receiving services through the child support enforcement system. Payments on behalf of families not receiving AFDC were about twice as large as those payments for families receiving AFDC. (Note that many families not on AFDC may have received AFDC sometime in the past.)
- As shown in Table ECON 8b, annual payments in current dollars on behalf of AFDC and non-AFDC families have increased by more than 40 percent between FY 1986 and FY 1997. However, when converted to constant dollars, per capita payments have not quite kept pace with inflation.
- In FY 1996, collections were received from about 60 percent of the cases with orders and those collections represented about 52 percent of the current child support due (Table ECON 8b2). About 32 percent of the current support due on behalf of AFDC families is collected, compared to 60 percent collected on behalf of families not receiving AFDC.

Table ECON 8b1. Average Annual Child Support Enforcement Payments for Current Support by Noncustodial Parents with an Obligation and Payment in Nominal and Constant Dollars, 1986 – 1997

	AFDC/TANF		Non-AF	DC/TANF	To	Totals	
	Current	Constant	Current	Constant	Current	Constant	FY
	Dollars	'97 Dollars	Dollars	'97 Dollars	Dollars	'97 Dollars	CPI-U
1986	\$959	\$1,402	\$1,936	\$2,830	\$1,433	\$2,095	109.3
1987	910	1,294	1,851	2,632	1,416	2,013	112.4
1988	975	1,332	1,793	2,449	1,468	2,005	117.0
1989	1,046	1,363	1,770	2,307	1,457	1,899	122.6
1990	1,110	1,378	1,998	2,481	1,672	2,076	128.7
1991	1,049	1,240	1,989	2,351	1,711	2,022	135.2
1992	1,210	1,388	2,314	2,655	1,919	2,201	139.3
1993	1,230	1,370	2,498	2,782	1,990	2,216	143.5
1994	1,178	1,278	2,266	2,458	1,889	2,049	147.3
1995	1,294	1,366	2,595	2,739	2,167	2,287	151.4
1996	1,280	1,315	2,591	2,661	2,152	2,210	155.6
1997	1,361	1,361	2,315	2,315	2,118	2,118	159.8
1986-97							
<ul><li>change</li></ul>	\$402	-\$27	\$379	-\$515	\$685	\$23	50.5
– percent	41.9%	-1.9%	19.6%	-18.2%	47.8%	1.1%	46.2%

Note: Data for 1997 are preliminary and does not include information from Florida, Hawaii, Tennessee, and Wisconsin. Source: U.S. Department of Health and Human Services, Administration for Children and Families, Office of Child Support Enforcement, *Preliminary Child Support Enforcement FY 1997 Data Report*, 1998, and *Twenty-first Annual Report to Congress, for the period ending September 30, 1996* (and earlier years), Washington, DC.

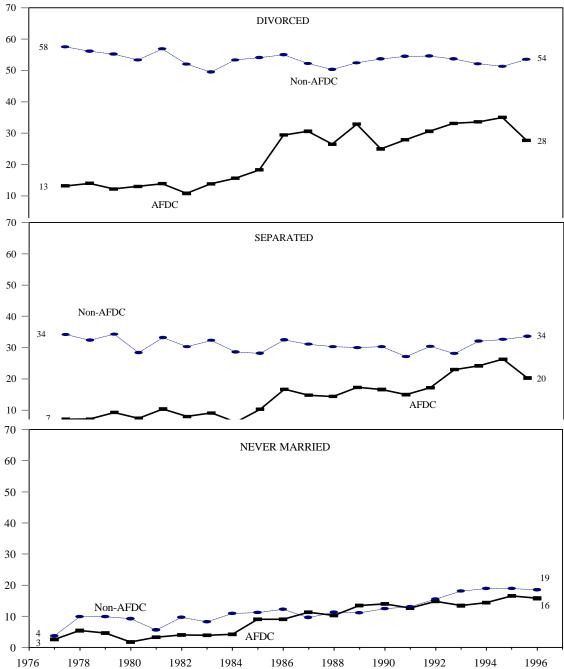
Table ECON 8b2. Proportion of IV-D Cases with Orders and Collections and Proportion of Amount Paid to Amount Due, FY 1996 (In millions)

	AFDC Cases	Non-AFDC Cases	Total Cases
Number of Cases with Orders			
(Current Support)	2.44	4.13	6.57
Number of Cases with Collections			
(Current Support)	1.20	2.76	3.96
Percent of Cases with Collection			
(Current Support)	49%	67%	60%
Amount of Current Support Due	\$4,795	\$11,971	\$16,766
Amount of Current Support Paid	\$1,535	\$ 7,150	\$ 8,684
Percent Paid	32%	60%	52%

Note: FY 1997 data are not available.

Source: U.S. Department of Health and Human Services, Administration for Children and Families, Office of Child Support Enforcement, *Preliminary Child Support Enforcement FY 1996 Data Report*, Washington, DC, 1997 and unpublished data.

Figure ECON 8c. Percentage of Single Mothers Receiving Child Support by Marital Status and Receipt of Income Assistance, 1977 – 1996



Source: Elaine Sorensen, the Urban Institute, unpublished data from the March  $\it Current Population Survey Public Use Files, 1978 - 1997.$ 

• Single mothers enrolled in the AFDC program are less likely than other single mothers to receive child support, even after controlling for marital status. Since the authorization of the Child Support Enforcement program in the mid-1970s, the proportion of single AFDC mothers receiving child support has generally increased, resulting in a narrowing of the gap between AFDC and non-AFDC mothers. Between 1995 and 1996, however, the proportion

of AFDC recipients receiving child support declined, following drops in the AFDC caseload and shifts in its composition.

Table ECON 8c. Percentage of Single Mothers Receiving Child Support and Alimony by Marital Status and Receipt of Income Assistance, 1977 – 1996

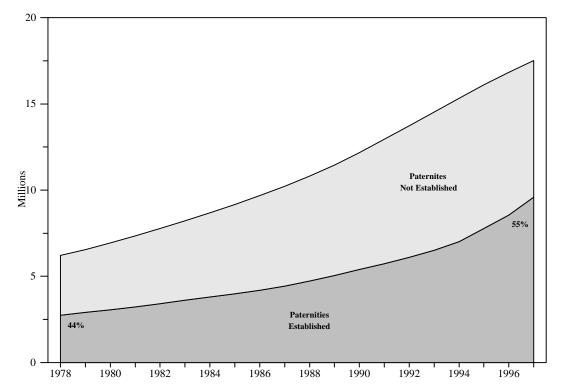
	Div	orced	Separa	Separated		Never Married	
	AFDC	Non-AFDC	AFDC Non-AFDC		AFDC Non-AFDC		
1977	13.2	57.5	7.1	34.2	2.6	3.7	
1978	14.0	56.1	7.2	32.4	5.4	9.9	
1979	12.2	55.2	9.3	34.3	4.6	9.9	
1980	13.0	53.3	7.4	28.4	1.8	9.2	
1981	13.9	56.9	10.4	33.2	3.3	5.6	
1982	10.8	52.0	8.0	30.3	4.0	9.7	
1983	13.8	49.5	9.1	32.3	3.9	8.2	
1984	15.6	53.3	6.2	28.6	4.2	10.9	
1985	18.3	54.1	10.3	28.2	9.0	11.2	
1986	29.4	55.0	16.7	32.5	9.0	12.2	
1987	30.6	52.2	14.8	31.1	11.3	9.6	
1988	26.5	50.3	14.4	30.3	10.3	11.3	
1989	32.9	52.4	17.3	30.0	13.5	11.1	
1990	25.0	53.7	16.6	30.3	14.0	12.4	
1991	27.9	54.5	15.0	27.1	12.7	13.1	
1992	30.6	54.6	17.2	30.4	14.8	15.5	
1993	33.1	53.7	23.0	28.1	13.4	18.1	
1994	33.6	52.1	24.2	32.1	14.4	18.9	
1995	35.0	51.3	26.3	32.6	16.6	18.9	
1996	27.7	53.5	20.3	33.6	15.8	18.5	
1977-96 -Change	14.5	-4.0	13.2	-0.6	13.2	14.8	

Note: Married women also receive child support, but the proportion of eligible married women cannot be identified on the March CPS file. Child support and alimony were not collected as separate items prior to 1988. They are left combined for all years to ensure comparability across years.

Source: Elaine Sorensen, the Urban Institute, unpublished data from the March Current Population Survey Public Use Files, 1978 - 1997.

- Figure ECON 8c also shows that divorced and separated women are more likely to receive child support than are never-married women.
- The proportion of never-married women receiving child support is similar for the AFDC and non-AFDC populations. The upward trend lines for both groups reflect the paternity establishment activities of the Child Support Enforcement Program, as very few paternities are established outside of the CSE system.
- The proportion of divorced and separated women receiving child support but not AFDC payments has remained relatively constant.

Figure ECON 8d. Estimated Children Under 18 Born Outside of Marriage With Paternity Established, 1978 – 1997



Source: National Center for Health Statistics, *Vital Statistics of the United States*, annual and *Monthly Vital Statistics Report*, Vol. 46, No. 1, Supplement 2, September 11, 1997 and U.S. Department of Health and Human Services, Administration for Children and Families, Office of Child Support Enforcement, *Preliminary Child Support Enforcement FY 1997 Data Report*, 1998 (and earlier years), Washington, DC.

• The cumulative number of children needing paternity to be established has risen steadily over the last two decades due to growing numbers of children being born outside of marriage. The cumulative total of children born outside of marriage as of 1997 was about 17.5 million as shown in Figure ECON 8d. While the number and percentage of paternity establishments has increased, 45 percent of these children still did not have a legally identified father.

Table ECON 8d. Estimated Children under 18 Born Outside of Marriage with Paternity Established (In thousands)

_											
	1978	1980	1982	1984	1986	1988	1990	1992	1994	1996	1997
Children Under 18 Born											
Outside of Marriage (est.)	6,212	6,932	7,781	8,674	9,680	10,816	12,175	13,743	15,326	16,816	17,501
Paternity Not Established	3,460	3,869	4,371	4,877	5,487	6,093	6,786	7,638	8,306	8,268	7,910
Paternity Established	2,752	3,063	3,410	3,797	4,193	4,722	5,389	6,105	7,020	8,548	9,591
Percent of Children	44.3	44.2	43.8	43.8	43.3	43.7	44.3	44.4	45.8	50.8	54.8
Paternities Established for N	Nonmari	tal Birth	s in a Ye	ear:							
Nonmarital Births <sup>1</sup>	544	666	715	770	878	1,005	1,165	1,225	1,290	1,260	1,267
Paternities Established	111	144	173	219	245	307	393	512	676	1,043	1,282
Percent of Births	20.4	21.6	24.2	28.4	27.9	30.5	33.7	41.8	52.5	82.7	101.2

Non-marital births in 1997 are estimated based on the 12 months ending June 1997 as compared to the preceding 12 months. Note: Total children under 18 years of age who were born outside of marriage is the cumulative total of nonmarital births less deaths; paternities established is the cumulative total of voluntary and C.S.E. paternity establishment as well as estimated births legitimated by marriage and adoption. An unknown number of children born outside of marriage are living with step-fathers who may have assumed paternal responsibility without legal adoption.

Source: National Center for Health Statistics, *Vital Statistics of the United States*, annual and *Monthly Vital Statistics Report*, Vol. 46, No. 1, Supplement 2, September 11, 1997 and U.S. Department of Health and Human Services, Administration for Children and Families, Office of Child Support Enforcement, *Preliminary Child Support Enforcement FY 1997 Data Report*, 1998 (and earlier years), Washington, DC.

- As shown in Table ECON 8d, the number of paternities established each year as a percent of the number of children born outside of marriage each year has increased from 20 percent in 1978 to over 100 percent in 1997. This increasing rate of paternity establishment in the 1990s has increased the proportion of children with paternity established from about 44 percent in the period prior to 1994 to nearly 55 percent in 1997.
- The proportion of all children under age 18 with paternities established has increased significantly in the past few years. This increase reflects the additional paternities now being established in the hospitals at the time of the birth of the child.
- Reporting of in-hospital paternity establishments is voluntary and reflects reports from only 39 states, therefore the rate of increase in paternity establishments over the past few years may be underestimated.

### ECONOMIC SECURITY RISK FACTOR 9. FOOD INSECURITY

Household food insecurity, including (at a severe level) direct hunger among children in the household, is related to general income poverty and is expected to affect children's health, cognitive and social development, and general school success.

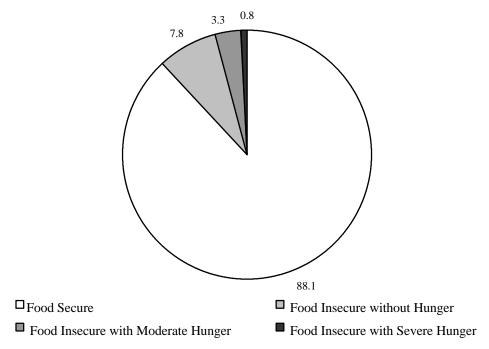


Figure ECON 9. Percentage of Households Classified as Food Insecure, 1995

Source: Table ECON 9. See table for definition of food secure households.

- A large majority (88 percent) of American households was food secure in the year ending April 1995. Food secure households show little or no evidence of concern about food supply or reduction in food intake.
- About 11.9 million (of approximately 100 million) households experienced food insecurity not being able to afford enough food at some level during 1995. Most of the food insecure households were food insecure without hunger, meaning that although food insecurity was evident in their concerns and in adjustments to household food management, including reduced quality of diets, little or no reduction in food intake was reported.
- About 4 percent of the 100 million households were classified as food insecure with hunger.
  Thus, one or more adult members of some 4.2 million households were estimated to have
  experienced reduced food intake and hunger as a result of financial constraints in the year
  ending April 1995.
- About 800,000 households were classified as food insecure with severe hunger, meaning that children, as well as adults, experienced reduced food intake and hunger.

Table ECON 9. Percentage of Households Classified as Food Insecure, 1995

		Food Insecure	Food Insecure	Food Insecure
	Food Secure	No Hunger	Moderate Hunger	Severe Hunger
All Households	88.1	7.8	3.3	0.8
Households with Children	Under 6, by Race			
White	82.6	13.1	3.6	0.6
Black	70.1	19.7	8.8	1.4
Hispanic	66.8	23.6	7.9	1.7
Other	79.4	14.1	4.0	2.6
Households with Children	Under 18, by Rac	ee		
White	84.6	11.1	3.6	0.7
Black	71.8	18.1	8.5	1.6
Hispanic	69.6	21.6	7.5	1.3
Other	81.1	12.6	4.7	1.6
Households with Elderly bu	ıt no Children, b	y Race		
White	95.3	3.2	1.3	0.2
Black	81.7	12.6	4.3	1.4
Hispanic	79.1	15.2	4.0	1.7
Other	87.7	7.8	3.6	0.9
Household Income-to-Pove	rty Ratio (all rac	es and household	types)	
Under 0.50	58.4	24.6	12.1	4.9
Under 1.00	64.7	22.1	10.0	3.1
Under 1.30	68.1	20.0	9.3	2.6
Under 1.85	73.8	17.0	7.3	1.9
1.85 and over	95.8	2.8	1.2	0.2
Households with Children	under 18 (all race	es)		
Married-Couple Families	88.5	8.8	2.3	0.5
Female Head, No Spouse	64.7	22.9	10.3	2.0
Male Head, No Spouse	81.4	12.0	5.6	1.0

Note: Persons of Hispanic ethnicity can be any race. Food secure households show little or no evidence of concern about food supply or reduction in food intake. Households classified as food insecure without hunger report food-related concerns and adjustments to household food management but report little or no reduction in food intake. Households classified as food insecure with moderate hunger report reduced food intake and hunger among adults, while households are defined as food insecure with severe hunger if they report reduced food intake and hunger among children as well as adults. Source: U.S. Department of Agriculture, Food and Nutrition Service, Office of Analysis and Evaluation, *Household Food Security in the United States in 1995*.

- The prevalence of food insecurity is higher among non-white households than among white households. As shown in Table ECON 9, 10 percent of black and Hispanic households with children under six experience food insecurity with either moderate or severe hunger, compared with 4 percent of white households with children under six.
- Households with an income-to-poverty ratio under 1.00 have a higher rate of food insecurity with moderate or severe hunger 13 percent than the 4 percent rate for the total population.

• Female-headed households with children under 18 had a higher prevalence of food insecurity with moderate or severe hunger (12 percent) than male-headed families (7 percent) or married-couple families (3 percent).

## ECONOMIC SECURITY RISK FACTOR 10. HEALTH INSURANCE

A lack of health insurance may be the precursor to future health problems and as such a risk factor of dependence.

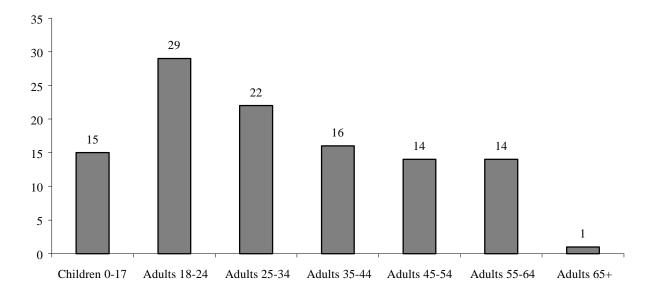


Figure ECON 10. Percentage of Persons without Health Insurance by Age, 1996

Source: Table ECON 10.

- Among all age categories, young adults age 18 to 24 were the most likely to be without health insurance in 1996 (29 percent).
- Sixteen percent of the population was without health insurance in 1996 as shown in Table ECON 10.
- Table ECON 10 also shows that among racial groups, a much larger percentage of Hispanics were without health insurance (34 percent) than non-Hispanic whites (12 percent) or non-Hispanic blacks (22 percent).

Table ECON 10. Percentage of Persons without Health Insurance by Age, 1996

All Persons	16		
Non-Hispanic White	12		
Non-Hispanic Black	22		
Hispanic	34		
Other	21		
Children 0 - 5	14		
Children 6 - 8	14		
Children 9 - 11	15		
Children 12 - 14	16		
Children 15 - 17	17		
Total 0 - 17	15		
Adults 18 - 24	29		
Adults 25 - 34	22		
Adults 35 - 44	16		
Adults 45 - 54	14		
Adults 55 - 64	14		
Women Age 18 - 64	14		
Men Age 18 - 64	18		
A July A 65 J	1		
Adults Age 65 and over	1		

Source: U.S. Bureau of the Census, March Current Population Survey, 1997.

# ECONOMIC SECURITY RISK FACTOR 11. PERCENTAGE RESIDING IN HIGH-POVERTY NEIGHBORHOODS

High-poverty neighborhoods are often associated with relatively lower quality services (e.g., education, medical) that can have a negative effect on development and increase the risk of dependence.

Figure ECON 11. Percentage of Total Population Residing in High-Poverty Neighborhoods, 1990

Source: Table ECON 11.

- Black and Hispanic individuals were disproportionately represented in high-poverty neighborhoods in 1990, as shown in Figure ECON 11. Whereas 14 percent of black individuals and 9 percent of Hispanic individuals resided in neighborhoods where over 40 percent of residents were poor, only 1 percent of white individuals lived in such neighborhoods.
- The percentage of black individuals living in high-poverty neighborhoods has increased over time, from 11 percent in 1970 to 14 percent in 1990, as shown in Table ECON 11. This has contributed to an overall increase in the percentage of the population residing in high-poverty neighborhoods, from 2 percent in 1970 to 3 percent in 1990.

Table ECON 11. Percentage of Total Population Residing in High-Poverty Neighborhoods, Selected Years

	1970	1980	1990
All persons	2.1	2.3	3.2
White	0.6	0.6	0.9
Black	11.2	12.1	14.3
Hispanic	8.2	7.3	9.0

Note: Neighborhoods are defined as census tracts and block-numbering areas. A high-poverty area is defined as having 40% or more of the residents' incomes below the official poverty line.

Source: Jargowsky, Paul. *Poverty and Place: Ghetto, Barrios, and the American City*. New York: Russell Sage Foundation, 1997.

#### ECONOMIC SECURITY RISK FACTOR 12. RESIDENTIAL MOBILITY

Frequent changes of residence are disruptive events for children and may increase the risk of dependence.

60 50 Single Parents with Children under 6 years 40 Married Couples with Children 30 under 6 years 20 All Persons over 1 year of age 10 0 1990-91 1991-92 1992-93 1993-94 1995-96 1996-97

Figure ECON 12. Percentage of Persons and Families with Children Who Moved in a Given One-Year Period

Source: U.S. Bureau of the Census, "Geographical Mobility," *Current Populations Reports*, Series P20, Nos. 463, 473, 481, 485, 497 and 510.

- Single-parent families with children under age 18 were much more likely to move in a year than married-couple families in each of the periods shown above.
- Residential mobility for all persons age 1 year and older remained essentially unchanged, dropping only one percentage point from 17 percent to 16 percent over the period as the economy recovered from the recession in the early 1990s.
- Female-headed families with children were much more likely to move in a year than married-couple families with children, in each of the one-year periods shown.
- Residential mobility decreased one percentage point every two years for children age 1 to 14 from 1987 1988 to 1993 1994.
- Residential mobility for adults age 25 and above remained essentially unchanged, dropping only one percentage point over this period.

Table ECON 12. Number and Percentage of Individuals and Families Who Moved in a Given One-Year Period, Selected Years

	1990-91	1991-92	1992-93	1993-94	1995-96	1996-97		
	Number Moving (in millions)							
Total Population 1 year and older	41.5	42.8	42.0	42.8	42.5	42.1		
Persons 25 years and over	32.3	33.2	33.0	33.6	32.2	NA		
All Families with Children								
Age 1-4 years	3.5	3.5	3.5	3.5	3.9	3.7		
Age 5-9 years	3.3	3.3	3.1	3.3	3.6	3.8		
Age 10-14 years	2.5	2.8	2.5	2.5	2.8	2.9		
Married Couples with Children								
Under 18 years	3.7	3.9	3.8	3.7	3.6	3.5		
Under 6 years	1.6	1.6	1.6	1.5	1.5	1.3		
Single Parents with Children								
Under 18 years	2.3	2.5	2.3	2.5	2.4	2.6		
Under 6 years	0.8	0.9	0.9	1.0	0.9	0.9		
			Percent N	Moving				
Total Population 1 year and older	17.0	17.3	16.8	16.7	16.3	16.0		
Persons 25 years and over	16.7	17.0	16.7	16.7	15.8	NA		
All Families with Children								
Age 1-4 years	22.7	23.0	22.2	21.5	24.3	23.0		
Age 5-9 years	17.6	18.0	16.5	16.9	17.9	18.7		
Age 10-14 years	14.1	15.4	13.4	12.9	14.2	15.0		
Married Couples with Children								
Under 18 years	15.8	16.3	16.0	15.4	15.0	14.2		
Under 6 years	25.1	25.4	25.0	23.9	24.5	21.8		
Single Parents with Children								
Under 18 years	29.0	30.3	27.3	28.1	26.8	27.7		
Under 6 years	46.4	46.7	43.6	43.9	42.8	43.4		

Note Residential mobility measures the percent of individual over age 1 who changed houses between March of the first year and March of the next year. The mobility of married-couple and female single-parent families is the percent of householders age 15 to 54 with own children under 18 who changed houses.

Source: U.S. Bureau of the Census, "Geographical Mobility," *Current Populations Reports*, Series P20, Nos. 463, 473, 481, 485, 497 and 510.

### ECONOMIC SECURITY RISK FACTOR 13. ADULT INCARCERATION

This risk factor tracks trends in the extent to which adults are living apart from their children because they are incarcerated. An incarcerated parent leaves his orher family at increased risk of dependence.

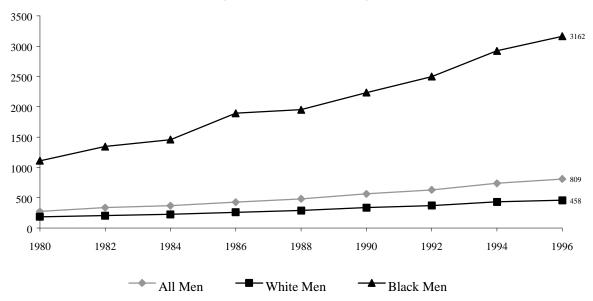


Figure ECON 13. Estimated Number of Sentenced Male Prisoners Under State or Federal Jurisdiction per 100,000 Resident Population, 1981 to 1996

Source: Table ECON 13.

- From 1980 to 1996, the number of black men incarcerated per 100,000 population increased 185 percent, while the rate for white men increased 144 percent in the same period.
- Table ECON 13 shows that the rate of incarceration for women, while still very small relative to men, rose 364 percent from 1980 to 1996, with white female incarceration increasing 400 percent and black female incarceration increasing 307 percent.
- Table ECON 13 also shows that the rates for black men and black women were much higher than the rates for white men and white women in 1996.

ECON 13. Estimated Number of Sentenced Prisoners Under State or Federal Jurisdiction per 100,000 Resident Population

	Total Men	All	White	Black	All	White	Black
	and Women <sup>a</sup>	Men <sup>a</sup>	Men	Men	Women <sup>a</sup>	Women	Women
1980	139	275	188	1111	11	6	45
1981	154	304	186	1217	12	7	50
1982	171	337	206	1345	14	8	57
1983	179	354	217	1412	15	9	58
1984	188	370	228	1459	16	9	63
1985	202	397	246	1559	17	10	68
1986	217	426	261	1895	20	12	77
1987	231	453	277	1800	22	13	82
1988	247	482	290	1951	24	15	91
1989	276	535	317	2200	29	17	115
1990	297	564	338	2234	31	19	117
1991	313	595	352	2368	33	19	129
1992	332	631	373	2499	35	20	136
1993	359	685	402	2718	40	23	155
1994	389	739	432	2923	45	26	169
1995	411	781	449	3095	47	27	176
1996	427	809	458	3162	51	30	183

Notes: Sentenced prisoners are those with a sentence of more than 1 year. Rates are based on U.S. resident population on July 1 of each year. Rates for 1990--1996 may differ from those previously published because the number of prisoners under jurisdiction have been revised and the resident population by sex and race have been adjusted for the Census undercount.

<sup>&</sup>lt;sup>a</sup> Includes Asians, Pacific Islanders, American Indians, Alaskan Natives, and other racial groups. Sources: *Correctional Populations in the United States*, 1994, 1995, 1996; U.S. Department of Justice, *Bureau of Justice Statistics*, NCJ-160091, June 1996; NCJ-163916, May 1997; NCJ-170013, November 1998.